E2SSB 5627 - H AMD 603 By Representative Haigh

ADOPTED AS AMENDED 4/10/2007

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The state's definition of basic education and the corresponding funding formulas must be regularly updated in order to keep pace with evolving educational practices and increasing state and federal requirements and to ensure that all schools have the resources they need to help give all students the opportunity to be fully prepared to compete in a global economy. The work of Washington learns steering committee and the K-12 advisory committee provides a valuable starting point from which to evaluate the current educational system and develop a unique, transparent, and stable educational funding system for Washington that supports the goals and the vision of a world-class learner-focused K-12 educational system that were established in the final Washington learns report.

This act is intended to make provision for some significant steps towards a new basic education funding system and establishes a joint task force to address the details and next steps beyond the 2007-2009 biennium that will be necessary to implement a new comprehensive K-12 finance formula or formulas that will provide Washington schools with stable and adequate funding as the expectations for the K-12 system continue to evolve.

NEW SECTION. Sec. 2. (1) The joint task force on basic education finance established under this section, with research support from the Washington state institute for public policy, shall review the definition of basic education and all current basic education funding formulas, develop options for a new funding structure and all necessary formulas, and propose a new definition of basic education that is realigned with the new expectations of the state's education system as established in the November 2006

final report of the Washington learns steering committee and the basic education provisions established in chapter 28A.150 RCW.

- (2) The joint task force on basic education finance shall consist of fourteen members:
- (a) A chair of the task force with experience with Washington finance issues including knowledge of the K-12 funding formulas, appointed by the governor;
- (b) Eight legislators, with two members from each of the two largest caucuses of the senate appointed by the president of the senate and two members from each of the two largest caucuses of the house of representatives appointed by the speaker of the house of representatives;
- (c) A representative of the governor's office or the office of financial management, designated by the governor;
- (d) The superintendent of public instruction or the superintendent's designee; and
- (e) Three individuals with significant experience with Washington K-12 finance issues, including the use and application of the current basic education funding formulas, appointed by the governor. Each of the two largest caucuses of the house of representatives and the senate may submit names to the governor for consideration.
- (3) In conducting research directed by the task force and developing options for consideration by the task force, the Washington state institute for public policy shall consult with stakeholders and experts in the field. The institute may also request assistance from the legislative evaluation and accountability program committee, the office of the superintendent of public instruction, the office of financial management, the house office of program research, and senate committee services.
- (4) In developing recommendations, the joint task force shall review and build upon the following:
- (a) Reports related to K-12 finance produced at the request of or as a result of the Washington learns study, including reports completed for or by the K-12 advisory committee;
 - (b) High-quality studies that are available; and
- (c) Research and evaluation of the cost-benefits of various K-12 programs and services developed by the institute as directed by the legislature in section 607(15), chapter 372, Laws of 2006.

(5) The Washington state institute for public policy shall provide the following reports to the joint task force:

- (a) An initial report by September 15, 2007, proposing an initial plan of action, reporting dates, timelines for fulfilling the requirements of section 3 of this act, and an initial timeline for a phased-in implementation of a new funding system that does not exceed six years;
- (b) A second report by December 1, 2007, including implementing legislation as necessary, for at least two but no more than four options for allocating school employee compensation. One of the options must be a redirection and prioritization within existing resources based on research-proven education programs. The report must also include a projection of the expected effect of the investment made under the new funding structure. The second report shall also include a finalized timeline and plan for addressing the remaining components of a new funding system; and
- (c) A final report with at least two but no more than four options for revising the remaining K-12 funding structure, including implementing legislation as necessary, and a timeline for phasing in full adoption of the new funding structure. The final report shall be submitted to the joint task force by September 15, 2008. One of the options must be a redirection and prioritization within existing resources based on research-proven education programs. The final report must also include a projection of the expected effect of the investment made under the new funding structure.
- NEW SECTION. Sec. 3. (1) The funding structure alternatives developed by the joint task force under section 2 of this act shall take into consideration the legislative priorities in this section, to the maximum extent possible and as appropriate to each formula.
- (2) The funding structure should reflect the most effective instructional strategies and service delivery models and be based on research-proven education programs and activities with demonstrated cost benefits. In reviewing the possible strategies and models to include in the funding structure the task force shall, at a minimum, consider the following issues:
 - (a) Professional development for all staff;

- (b) Whether the compensation system for instructional staff shall include pay for performance, knowledge, and skills elements; regional cost-of-living elements; elements to recognize assignments that are difficult; recognition for the professional teaching level certificate in the salary allocation model; and a plan to implement the pay structure;
 - (c) Voluntary all-day kindergarten;

- (d) Optimum class size, including different class sizes based on grade level and ways to reduce class size;
 - (e) Focused instructional support for students and schools;
 - (f) Extended school day and school year options; and
 - (g) Health and safety requirements.
- (3) The recommendations should provide maximum transparency of the state's educational funding system in order to better help parents, citizens, and school personnel in Washington understand how their school system is funded.
- (4) The funding structure should be linked to accountability for student outcomes and performance.

NEW SECTION. Sec. 4. As the joint task force considers a new definition of basic education as required under section 2 of this act, the task force shall consider the following proposed basic education goals and shall make recommendations regarding whether the proposed goals provide adequate guidance and vision for the state's education system in the twenty-first century:

"The goal of the basic education act for the schools of the state of Washington set forth in this chapter shall be to provide students with the opportunity to become responsible and respectful global citizens, to contribute to their economic well-being and that of their families and communities, to explore and understand diverse perspectives, to enjoy productive and satisfying lives, and to develop a public school system that focuses on the educational achievement of all students, which includes high expectations for and prepares students to achieve personal and academic success. To these ends, the goals of each school district, with the involvement of parents and community members, shall be to provide opportunities for every student to develop the knowledge and skills essential to:

- (1) Read with comprehension, write effectively, and communicate successfully in a variety of ways and settings and with a variety of audiences;
- (2) Know and apply the core concepts and principles of mathematics; social, physical, and life sciences; world history, cultures, and geography; civics and arts; and health and fitness;
- (3) Think analytically, logically, and creatively, and to integrate different experiences and knowledge to form reasoned judgments and solve problems;
- (4) Understand the importance of work and personal financial literacy and how performance, effort, and decisions directly affect future career and educational opportunities; and
- (5) Understand and be fully prepared to exercise the responsibilities of civic participation in a pluralistic society."
- NEW SECTION. Sec. 5. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."
- 19 Correct the title.

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EFFECT: The Joint Task Force is comprised of 8 legislators, a chair and 3 three members with significant experience with K-12 finance issues appointed by the Governor, a representative of the Governor's Office or OFM, and the SPI. The original bill had 4 legislators, a chair with business experience and 7 members appointed by the Governor, and the SPI.

The Task Force is provided research support by the WSIPP. conducting research and developing options for consideration by the Task Force, WSIPP consults with stakeholders and experts and may request assistance from LEAP, OSPI, OFM, legislative research offices.

The first report is due September 15, 2007, rather than 60 days after the bill takes effect. The second report is due in December rather than September 2007. The final report is due September 15, 2008 rather than January 1, 2008. References to "outcome-based" formulas are removed. Regional cost-of-living elements are considered for the compensation system.

The Joint Task Force, in its consideration of a new definition of basic education, must consider proposed language regarding the goals of the Basic Education Act and make recommendations

about whether those proposed goals provide adequate guidance and vision for the state's education system in the 21st century.